

RUNNING CALCULATION OF PATENT TERM ADJUSTMENT

Pursuant to 35 USC 154, this application is entitled to patent term adjustment, day for day, for each day from 14 months after 4/11/2005 until the first office action's notification date of 11/27/2009. That amounts to 1265 days.

CLAIMS PENDING FOR EXAMINATION

Claims 1-12, 14-44, 87-89, and 91 are now pending..

Claims 13, 45-86, and 90 are canceled.

Claims 1, 44, 87-89, and 91 are the independent claims.

OFFICE ACTION SUMMARY

This is a first office action in response to the US national stage entry of this application completed 4/11/2005. The office action summary page indicates that all pending claims were examined and rejected; the specification was objected to; references were cited by the examiner in a PTO-892; and an IDS was considered by the examiner.

SUMMARY OF AMENDMENT

Upon review, the applicant editorially amends some claims to correct editorial errors. In response to claim objections and 112 rejections, claim 13 has been canceled and claims 20 and 21 amended, and the other objections and 112 rejections traversed.

In response to the 35 USC 101 rejections, the method claims have been amended to tie method steps to a different statutory class and to recite a determination step.

In response to the 102 and 103 prior art rejections, the rejections have been traversed.

ITEM BY ITEM RESPONSE TO ITEMS RAISED IN THE OFFICE ACTION

Office action (herein after OA) items 1-3 acknowledge 371 status and filing date of 10/31/2002, and it indicates that the IDS filed with the application was considered.

OA item 4 object to the specification, referring to the pre grant publication of this application, which means publication number 20060004626, stating as follows:

4. The disclosure is objected to because of the following informalities:
paragraph 01 05 of Applicant's specification (according to Pre-Grant Publication numbering) indicates that block data, as referred to in claims 4 and 43, is geographic-based data; however, paragraph 0106 indicates that block data is demographic-based, such as income, number of cars, family members, or children, and purchase history. Therefore the Examiner is unclear as to what

"block data" refers to or how it is to be defined for claim limitation purposes. For examination purposes, the Examiner will interpret this to mean that "block data" may refer to an address (electronic, physical, or mailing) where the subscription may be delivered.

Appropriate correction is required.

In reply, the applicant disagrees because (1) the specification contains an express definition of "block data" and (2) in any case, there is no inconsistency of usage in the disclosure of the term "block data".

First, express definition of "block data" appears in 20060004626 paragraph 0105 which reads as follows, italics supplied for emphasis:

[0105] Preference data is data indicating the consumer's preferences. Profile data is data derived from POS data correlated to statistically derived preference data. *Block data is statistical data derived for a relatively small geographic region, such as a street, a block, a sub-division, or a section of a town.*

That express definition governs the meaning of "block data" in the disclosure. Accordingly, any reference to block data in this application means "*statistical data derived for a relatively small geographic region, such as a street, a block, a sub-division, or a section of a town*".

Second, there is no inconsistency in the disclosure. The examiner suggests that the references to "block data" in claims 4 or 43 were inconsistent with the references to block data in paragraph 106. In reply, the applicant disagrees. Both claims 4 or 43 and paragraph 0106 are consistent with block data being "*statistical data derived for a relatively small geographic region, such as a street, a block, a sub-division, or a section of a town*". The examiner assumed that paragraph 0106 indicated that block data is demographic-based; that assumption is irrelevant. The passage in paragraph 0106 reciting block data reads: "whether the consumer's block data meets certain criteria, such as income level, number of cars, number of family members, number of children." What this passage infers is that block data may be data indicative of "income level, number of cars, number of family members, number of children". That is consistent with the express definition of block data, because "income level, number of

cars, number of family members, number of children" may be "*statistical data derived for a relatively small geographic region, such as a street, a block, a sub-division, or a section of a town*". Accordingly, there is no inconsistency in the specification.

INCORRECT CLAIM CONSTRUCTION

Finally, the examiner relies upon the incorrect conclusion in OA item 4 to construe "block data" recited in the claims to incorrectly mean "an address (electronic, physical, or mailing) where the subscription may be delivered". Obviously, such a construction is legally defective and therefore any legal conclusions relating thereto will be incorrect.

OA item 5 objects to claims 1-3, 9-15, 19-21, 26-28, 43-44, 87-89, and 91. OA items 6 and 7 contain explanation for the objections.

OA item 6 reads as follows.

6. Claims 1-3, 15, 19, 26, 43-44, 87-89, and 91 are objected to because of the following informalities: the terms "CID" and "POS" are used at various and multiple locations throughout these claims. Although these are indicated as consumer identification and point-of-sale, respectively, in Applicant's specification, specification limitations may not be read into the claims; therefore the Examiner suggests spelling out the terms. Appropriate correction is required.

In reply, the applicant respectfully notes recitation of POS and CID in claims do not require that "limitations [from the specification] ... be read into the claims". This is, *at least*, because both "POS" and "CID" are in fact terms *defined* in the specification, and claims can always recite defined terms. Fromson v. Advanced Offset Plate, Inc., 720 F.2d 1565, 1569, 219 USPQ 1137, 1140 (Fed. Cir. 1983) ("It is the inventor applying for a patent who is permitted to be his own lexicographer."). The terms "POS" and "CID" are defined in paragraphs 0010 and 0011 copied below.

[0010] CID, in this application, means a consumer identification code linked to a consumer. A CID can be a credit card number, a driver's license number, a social security number, a frequent shopper card code, or an identification code uniquely associated with the consumer or the consumer's household.

[0011] POS, in this application, means point of sale, which is the area

where a consumer engages in transactions.

Thus, recitation of these terms in the claims is not improper.

Moreover, the undersigned finds the examiner's objection it contrary to the public policy that claims be understandable, since that requires conciseness. Recitation of CID and POS in the claims makes the claims easier to read because they are more concise, and therefore clearer than corresponding versions reciting "point of sale" and "consumer identification". Note that the claims would have to have 45 or so recitations of "CID" and several recitations of "POS" expanded, thereby bloating the claims with unnecessary characters. The applicant respectfully submits that would be counter productive.

OA item 7 contains plural paragraphs, which read as follows.

7. Claim 9-14, 20-21, and 27-28 are objected to under 37 CFR 1.75(c), as being of improper dependent form for failing to further limit the subject matter of a previous claim. Applicant is required to cancel the claim(s), or amend the claim(s) to place the claim(s) in proper dependent form, or rewrite the claim(s) in independent form.

Claims 9-14 each recite limitations related to what the contract terms of a subscription are comprised of. MPEP 2106(IV)(B) indicates that a legal document does not appear to be a process, machine, manufacture, or composition of matter and therefore not eligible for patenting; as such, claims 9-14 can be given little or no patentable weight since they solely distinguish from parent claim 1 based on subject matter that is not deemed patentable since not statutory. Therefore claims 9-14 do not further limit claim 1. Appropriate correction is required.

Next, OA item 7 states that:

Claim 13 recites the limitation of acceptance of said invitation; however, independent claim 1, from which claim 13 ultimately depends, recites acceptance of said invitation at the second to last element. Therefore 13 does not further limit claim 1. Appropriate correction is required.

Claims 20-21 and 27-28 recite recording at least one (or two) of a list including the periodical name, a subscription price, and an offer or invitation expiration date. The Examiner notes that claim 1 indicates acceptance of the offer at the second to last element of claim 1. The Examiner understands the

subscription to be a contract to deliver a periodical for a price, and that in order to make that contract valid, the contract would be required to define the name or title of the periodical and the price to be paid; without such basic terms, the subscription would be invalid or unenforceable. Therefore, in order to have a proper acceptance of the offer at claim 1, the basic terms of name and price must be included at claim 1, and claims 20-21 and 27-28 do not then further limit claim 1. Additionally, the Examiner notes that since acceptance is indicated at claim 1, any offer expiration date must be merely descriptive material since proper acceptance would require the offer to still be valid according to date; therefore this term can also not further limit. Appropriate correction is required.

In response, the applicant cancels claim 13, amends claims 20, and 21, and traverses for claims 9-12, 14, 27, and 28.

In response to the examiner's reasoning regarding claim 13, the applicant cancels claim 13.

Claim 9 recites "The method of claim 1 wherein said contract terms comprise a name of said periodical publication." The corresponding recitation in claim 1 is "storing in association with said invitation code contract terms comprising terms for a contract for a subscription to a periodical publication". The examiner concludes that the terms stored in association with the invitation code necessarily include the name of the periodical publication.

In response, the applicant disagrees because it is not essential that all contract terms be stored in association with the invitation code. For example, the contract terms stored in association with the invitation code could be limited to cost and subscription period. In response to the receipt by the consumer of invitation code, the consumer could consult some other source of periodical publications, and include that with the invitation code at the acceptance terminal.

With respect to claims 10-14, the same reasoning specified for claim 9 holds true.

Claims 27 and 28 relate to a confirmation record. Since such a record could store no more than consumer identification, and since paragraph 0092 specifies that other fields in this record are not essential, the data defined by claims 27 and 28 is not clearly inherent in the confirmation record data recited in claim 1.

OA item 8 rejects claims 16, 19, 24, 28, and 39 under the second paragraph of 35 USC 112.

Claim 16 recites:

16. (Previously presented) The method of claim 1 further comprising updating an invitation offer record in an invitation offer database to indicate code associated with said record has been used in an invitation offered to a customer.

The examiner concludes claim 16 is indefinite because there is no antecedent basis for the recitation of "an invitation offer record".

In response, the applicant respectfully traverses because no antecedent is required.

Claim 19 recites:

19. (Previously presented) The method of claim 1 further comprising generating or updating a consumer invitation record in a consumer invitation database to store a CID and a unique code.

The examiner states that:

Claim 19 recites generating or updating a consumer invitation record, and the Examiner notes that there is no antecedent consumer invitation record to update; thereby implying that this would only entail generating. Therefore the Examiner is uncertain if this indicates only generating, or if updating is possible, or if updating is required or optionally performed. For examination purposes, the Examiner will interpret this to mean generating.

In response, note the following. First, note that claim 19 depends from claim 1.

The applicant agrees that there is no antecedent recitation "a consumer invitation record". Accordingly, reciting "a consumer invitation record" in claim 19 is proper.

The applicant does not agree that lack of a prior recitation of "consumer invitation record" implies that claim 1 is limited to subject matter having no consumer invitation record. Accordingly, the applicant does not agree with the examiner's conclusion that reciting "generating or updating" means "generating.". The applicant also disagrees with the examiner's conclusion that updating would be impossible.

The examiner states that the examiner is uncertain of scope of claim 19 because the examiner cannot determine if claim 19 "indicates only generating, or if updating is possible, or if

updating is required or optionally performed."

In response, the applicant concludes that claim 19, properly construed, requires either "generating" or "updating". However, updating is only possible when there is a pre existing consumer invitation record. Moreover, the applicant believes those conclusions are clear from the language of claim 19. However, to clarify, the applicant amends claim 18 to recite "either" prior to "generating or updating" to further clarify that these are alternatives, and only one of "generating" or "updating" is required for infringement.

Finally, to clarify the record, note that the use of "generating or updating" is intended to cover two situations; where a consumer invitation record pre-existed, and where no consumer invitation record pre-existed.

Claim 24 recites:

24. (Previously presented) The method of claim 23 further comprising receiving payment for product purchases concurrently with receiving said payment for said subscription.

The examiner concludes that there is no antecedent basis for "product purchases".

In reply, the applicant agrees that there is no antecedent for claim 24's "product purchases". However, that is not a reason for concluding claim 24 is indefinite, nor has the examiner provided such a reason.

Claims 37-39 recite:

37. (Previously presented) The method of claim 1 further comprising printing said invitation and including a printed unique bar code.

38. (Previously presented) The method of claim 37 wherein magazine name, magazine subscription price, and offer expiration date are encrypted in said unique bar code.

39. (Previously presented) The method of claim 1 wherein magazine name, magazine subscription price and offer expiration date are encrypted in said transaction tracking code.

The examiner concludes that there is no antecedent basis in claims 38 and 39 for

"magazine".

In response, the applicant first notes that claims 38 and 39 do not recite "magazine"; instead they recite "magazine name" and "magazine subscription price". In any case, the applicant agrees that there is no antecedent for either "magazine name" and "magazine subscription price". However, that is not a reason for concluding claims 38 and 39 are indefinite, nor has the examiner provided such a reason.

OA item 9 rejects claims 1-43, 88, and 89 under 35 USC 101 for not claiming statutory subject matter.

In response, regarding claim 1, the applicant has amended claim 1 to tie each method step another statutory class, specifically physical and functional structure of a computer system. In addition, the applicant has amended claim 1 by adding "determining, using said computer system, whether CID associated data associated with said CID meets invitation offer criteria associated with an invitation code;" since this determining step is clearly not post solution activity. Accordingly, amended claim 1 defines statutory subject matter. Claims 2-12 and 14-43 depend from claim 1 and therefore also define statutory subject matter. Independent claims 88 and 89 have similarly been amended to recite computer system structure and a determining step.

OA item 10 rejects claims 1-44, 87-89, and 91 as anticipated by USP 5926796 to Walker. OA item 11 rejects claim 32 as obvious in view of Walker. OA item 12 rejects claim 32 as obvious in view of Walker and USP 6,571,279 to Herz.

The applicant first notes that all prior art rejections of the independent claims rely solely upon Walker.

In response, the applicant first respectfully points out that the examiner bears the burden of presenting a prima facie case of anticipation. The applicant also notes that the examiner has only cited passages in Walker in association with claim recitations, instead of also explaining why each citation is relevant, or what element identified in the citation is read upon by the associated claim recitation.

The applicant notes that it is less burdensome for the examiner to merely cited passages in a reference without also explaining their relevance to the claims. However, action dis-serves both the applicant and the public interest in speedy and efficient prosecution. The applicant respectfully requests that, if the claims remain rejected over prior art, the examiner explain why.

Moreover, the examiner has the legal burden of presenting a prima facie case of anticipation.

IV. Burdens of Proof and Production

The examiner bears the burden of presenting at least a prima facie case of anticipation. In re King, 801 F.2d at 1327, 231 USPQ at 138-39; In re Wilder, 429 F.2d 447, 450, 166 USPQ 545, 548 (CCPA 1970). Only if that burden is let, does the burden of going forward shift to the applicant. In re King, 801 F.2d at 1327, 231 USPQ at 138-39; In re Wilder, 429 F.2d at 450, 166 USPQ at 548. Once a prima facie case is established and rebuttal evidence is submitted, the ultimate question becomes whether, based on the totality of the record, the examiner carried his burden of proof by a preponderance. See In re Oetiker, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992). We see no reason to change this allocation of burdens just because anticipation here turns on enablement. [In re Sun, 1993 U.S. App. LEXIS 34020, ___, 31 USSPQ2d 1451, ___ (Fed. Cir., December 23, 1993).]

The undersigned doubts that mere citation to reference passages would ever carry that burden.

In this case, the applicant submits that these rejections are improper because they do not present a prima facie case of anticipation; they do not explain why Walker might anticipate.

Moreover, the applicant explains below why Walker does not in fact anticipate and why the office action fails to make a prima facie of anticipation or obviousness of any claim.

Claim 1 as currently amended reads as follows.

1. (Currently Amended) A computer network implemented method, comprising:
receiving, in a computer system including at least one digital computer including associated central processor, memory, input, and output devices, a CID;
determining, using said computer system, whether CID associated data associated with said CID meets invitation offer criteria associated with an invitation code;
storing, using said computer system, said CID in memory in association with [[an]] said invitation code when said CID associated data associated with said CID meets said invitation offer criteria associated with said invitation code;
storing, using said computer system, in association with said invitation code, contract terms comprising terms for a contract for a subscription to a periodical publication;
transmitting, to an offer terminal, data defining said CID and said invitation code in order

to provide an invitation to a consumer;

receiving, from an acceptance terminal, said invitation code in association with said CID subsequent to said transmitting, thereby indicating acceptance of said invitation by said consumer; and

storing in computer memory, said CID in association with a transaction tracking code.

The office action indicates Walker 8:58-9:17, 9:22-54; 10:4-25; and Fig. 8 discloses storing the CID in association with an invitation code. The applicant disagrees.

8:58-9:17 discloses only storing subscription purchases, not invitation codes.

9:22-54 discloses only the purchased subscriptions database of Fig. 8, not an invitation code.

10:4-25 discloses only filling out a subscription card upon purchase of a subscription, nothing about an invitation code. Accordingly, the office action fails to show that Walker anticipates claim 1.

Further, Walker does not disclose the concept of determining whether to provide an invitation code to a consumer. In contrast, claim 1 now recites the determining step: "determining, using said computer system, whether CID associated data associated with said CID meets invitation offer criteria associated with an invitation code; "

Since as noted above Walker does not anticipate claim 1, no reason exists to critique the remainder of the recitations of claim 1 viz Walker. However, the applicant submits that upon review, the BPAI would not consider the mere citations to passages in a reference to carry the burden of proof, prima facie, of anticipation. Accordingly, the examiner is urged to include explanations if the examiner decides to impose any other rejections based upon prior art.

For the same reasons noted for claim 1, Walker does not anticipate any of claims 1-44, 87-89, and 91.

OA item 11, regarding rejection of claim 32 as obvious in view of Walker, the examiner reasons that printing at a store would have been obvious. Assuming arguendo the propriety of that conclusion, claim 32 is still non obvious because Walker does not disclose or suggest the offer invitation or determining whether to provide an offer invitation to a consumer, as defined in the pending claims. Ditto for the allegations regarding Walker and activation of claims 34 and 36, the bard code printing of claim 37, or encryption of claim 38 and 39.

OA item 12, regarding rejection of claim 30 as obvious based upon Walker and Herz, the examiner reasons that Herz suggest profiling suggesting consumer targeting by top fraction of

spenders. Assuming arguendo the propriety of that conclusion, claim 30 is still non obvious because Walker does not disclose or suggest the offer invitation or determining whether to provide an offer invitation to a consumer, as defined in the pending claims. Ditto for claim 31.

OA item 13 advises that:

The Examiner has analyzed the claim language and phrasing as indicated by the bold sections or words above, and determined that the phrasing following the bolded word(s) is not required due to the terminology being optional or intended use or expected results, in conformity with MPEP § 2111.04.

The bolded words in the office action are: "when" and "in order to"; "for receiving"; "for storing"; "when"; "for transmitting"; "in order to"; "for performing"; "thereby indicating" in claims 1, 44, 87, 88, 89, and 91 (that is, in the independent claims).

In reply, the applicant suggest the examiner review MPEP 2111.04 which indicates that whether a claim recitation defines a limitation depends upon the facts of each case.

For reference, MPEP 2111.04 reads as follows:

2111.04 "Adapted to," "Adapted for," "Wherein," and "Whereby" Clauses
[R-3] - 2100 Patentability

2111.04 "Adapted to," "Adapted for," "Wherein," and "Whereby" Clauses
[R-3]

Claim scope is not limited by claim language that suggests or makes optional but does not require steps to be performed, or by claim language that does not limit a claim to a particular structure. However, examples of claim language, although not exhaustive, that may raise a question as to the limiting effect of the language in a claim are:

- (A) "adapted to" or "adapted for" clauses;
- (B) "wherein" clauses; and
- (C) "whereby" clauses.

The determination of whether each of these clauses is a limitation in a claim depends on the specific facts of the case. In Hoffer v. Microsoft Corp., 405 F.3d 1326, 1329, 74 USPQ2d 1481, 1483 (Fed. Cir. 2005), the court held that

when a "'whereby' clause states a condition that is material to patentability, it cannot be ignored in order to change the substance of the invention." Id. However, the court noted (quoting Minton v. Nat'l Ass'n of Securities Dealers, Inc., 336 F.3d 1373, 1381, 67 USPQ2d 1614, 1620 (Fed. Cir. 2003)) that a "'whereby clause in a method claim is not given weight when it simply expresses the intended result of a process step positively recited.'" Id.<

In any case, the recitation of the determining step in independent claims moots whether what follows "when" in the independent claims is a limitation for purposes of examination in the USPTO relative to prior art.

Date: 2-23-2010

Respectfully Submitted,
/RichardNeifeld#35,299/
Richard A. Neifeld, Ph.D.
Registration No. 35,299
Attorney of Record

ran

Date/Time: February 24, 2010 (1:37pm)

Y:\Clients\Catalina\PIP-132-HOLM\PIP132HOLM-US\Drafts\Amendment_PIP132HOLM-US_2-22-2010.wpd